

DIARY NOTESExecutive Director-Comptroller*[Signature]*

9 November 1965

1. In the course of a meeting I had with the Director and Dick Helms today, the Director re-emphasized his desire to formalize our planning system to assure that the Directorates appoint officers to do this job and that meetings are held by the planners of all Directorates to ensure that plans are going forward together. I assured the Director that this matter was moving along rather well and that I thought he would be satisfied when he saw some of the progress reports which would be coming to him before too long.

2. Mr. Norman Colb, Chairman of the Board of the Vienna Trust Company, telephoned me about setting up a branch bank in our Headquarters building. I told him that we were not interested but did agree to meet with him and the President of the Bank.

3. I participated with the Director in a briefing by J. J. Hitchcock and [] on the Collection Guidance Staff. I think that the Director was fairly well satisfied with the briefing except that he felt there was a gap in scientific collection guidance. At the conclusion of this briefing and also at the morning meeting on 10 November, the Director expounded on this. I understand that, again, he wants to tap the expertise in Federal laboratories to make sure that we are up with the state of the art in our own country and then translate this into more precise requirements for other countries. Ray Cline has the action responsibility; I assume that there is nothing more I need to do at the moment.

4. I participated with the Director in a briefing by Bob Bannerman and Emmett Echols on NPIC recruitment. I think that they at long last have a program which will fill NPIC needs. The Director seemed satisfied with it and asked Bob to pull out all the stops to implement the program. (We should ask for periodic reports from Bob on how this program is actually progressing.) In connection with this briefing, the Director said that he would like to see [] the scientist who recently came on board and who was formerly with the University of []

5. Dick Helms and I met with the Director for approximately an hour to discuss organizational problems. The Director spent two hours with Ray Cline recently, at which time Ray expounded at great length on his theory of incorporating the Office of Scientific Intelligence and FMSAC into the DD/I organization and in some way merging the Office of Research and Reports and OSI. The Director had an idea that ORR and OSI might be put under one boss, presumably neither DD/I nor DD/S&T. In addition, he was impressed with Ray's concept of regional organization. Apparently Ray also made some statements to the Director to the effect that he felt the Directorate of Intelligence was not properly appreciated by the rest of the Agency and also expounded a theory that intelligence generally and CIA in particular was not playing its proper role in the formulation of the national role. This frightened the Director and, I believe, caused some deep-seated concern that Ray felt that the Agency should make policy, a position which the Director strongly opposes. After discussing this for a while I was asked to comment. I started by dealing with personalities. I said that I thought it was not possible for Ray and Sherman Kent to work together harmoniously, and I hoped the Director would stand by his earlier decision to remove the Office of National Estimates from the DD/I organization. I also said that I thought it was almost equally hopeless to expect Bud Wheelon and Ray to work together and that I thought they were both at fault. However, I find Bud a strong but clean fighter for what he wants, whereas Ray is brilliant but slippery. I then produced General Carter's directive to DD/I and DD/S&T spelling out how they were to work together. I said that I thought this was a very thoughtful and perfectly reasonable directive which has been honored in the breach. I said that I felt if men of good will wanted to make this directive work, they certainly could. I then reviewed the flap which grew out of [] recent briefing of the Hyland Panel on a subject on which ORR felt they should have given the briefing. Using this as an illustration I contended that there was no duplication of effort between OSI and ORR but rather a lack of coordination. I then reviewed for the Director Ray's proposal of early September to transfer OSI to DD/I with the implied reorganization of the DD/I along geographic lines including the ONE staff and his paper of early October specifically requesting that as a first step OCI and the ONE staff be merged. I then said that I understood the Director had already decided to remove ONE from DD/I and that he also wished not to transfer OSI or FMSAC to DD/I. The Director confirmed this but remained

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intrigued with Ray's concept of regional reorganization. I said that I, too, thought Ray made this sound very appealing but that before going forward with it I would want to make a further independent study of the matter. At about this point Dick reported that he had discussed with Ray his possible overseas assignment and that Ray had now accepted a position as [] to be effective in about six months. It was the consensus that it would be better to defer any of these organizational changes until Ray's departure was more imminent lest he go around town knocking the Agency and doing considerable harm in places where he is held in high regard. The Director said that this was the way we would handle the matter, and I made two additional recommendations which I believe were accepted although it was left a little fuzzy as to who was to do what and when. The first recommendation was that Ray be called in and told that we are intrigued by his regional organization theory and propose to study it with some care. Until this has been done, however, we do not wish to make any organizational changes. The second recommendation was that Ray and Bud be called in and told that General Carter's memorandum, which I mentioned above, is still the bible and that they are expected to put their shoulders to the wheel and make it work. (I assume, although it was not specifically stated, that it is my responsibility to ensure that we conduct an independent study of the regional reorganization scheme.)

6. In the course of my meeting with Dick Helms and Admiral Raborn to discuss DD/I organization and Ray Cline, the Director expressed his strong conviction that the feeling of hostility between the Directorates as exemplified by the personal feelings between Ray and Bud Wheelon run much deeper than the Deputies themselves. He believed that this grew out of a lack of understanding of each other's problems and thought that we should undertake some training program to bring about a better understanding and a feeling that we are all one Agency rather than three or four. Dick and I conceded that this point was valid. At this time I pointed out that observance of the compartmentation and need-to-know principles ran counter to good communication in the normally accepted management sense of the word. I also reviewed for the Director various courses which do have this objective as an incidental by-product: all of our management courses, the Midcareer Course, the Clandestine Services Review Course, the Intelligence Review Course, etc. Nevertheless, we conceded that we probably needed to do something at the senior levels, and I undertook to come up with some proposal.

7. Dick Helms convened a meeting of Tom Karamessines, [] [] Bronson Tweedy, and myself and advised the group that Ray

Cline would be appointed [] to be effective in about six months. This was no surprise to anybody except Bronson, who did not know it was under consideration. He obviously was not pleased but accepted it like a good soldier. It was agreed that Bronson would draft a letter for Dick's signature to [] assignment was also discussed. [] considered a possibility but was pretty well ruled out by both Bronson and Dick. The Board of National Estimates was another possibility, and in this connection Dick talked with Sherman Kent who said that he would be very glad to have [] Jack Earman's deputy was yet another possibility, although I didn't detect any enthusiasm for this. In any case, I should sort this out and firm it up.

8. I spoke to Dick Helms about the honor award recommended for [] Dick shared my concern that the award proposed by the Board might be inadequate, but at the same time was as reluctant as I to overrule the Board. He requested that I set up an independent board of completely objective people to look into this case. He said that he awarded three Intelligence Medals of Merit a day or two ago which he thought were not appropriate awards for the services rendered by the three recipients. He felt that the Intelligence Star or a similar award would have been more appropriate. Furthermore, the services were rendered three or more years ago. He seems very much interested in the Honor and Merit Awards Program. (I will look into it to ensure that it is on the right track.)

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